

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HOUSE BILL 2477

AN ACT

AMENDING SECTION 41-1505.06, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 10, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1505.09; MAKING APPROPRIATIONS; RELATING TO THE DEPARTMENT OF COMMERCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 41-1505.06, Arizona Revised Statutes, is amended to
3 read:

4 41-1505.06. Powers and duties: services: confidential
5 information: annual report: liability

6 A. The commission has the following powers and duties:

7 1. Develop comprehensive long-range strategic economic plans for this
8 state and submit them to the director.

9 2. Assist the department in the coordination of the independent
10 efforts of all state and local agencies involved in economic planning and
11 economic development.

12 3. Develop and annually update a ten-year strategic economic plan for
13 submission to the director.

14 4. Adopt resolutions and act on such resolutions.

15 5. Either directly or indirectly, provide financial assistance to
16 businesses locating or expanding within this state. The value of the
17 assistance provided shall not exceed fifty per cent of the estimated total
18 increase in tax revenues accruing to this state and its political
19 subdivisions as a direct or indirect result of the location, retention or
20 expansion of such business as determined by the department.

21 6. Accept gifts, grants or loans and enter into contracts or other
22 transactions with any federal or state agency, municipality, private
23 organization or other source.

24 7. Adopt and use a seal.

25 8. Purchase, acquire or hold by grant, gift, devise, lease or
26 otherwise real or personal property or interests in real or personal
27 property.

28 9. Improve, employ or use any real or personal property or interests
29 in any real or personal property purchased, acquired or held for purposes of
30 this article.

31 10. Sell, convey, lease, exchange, transfer or otherwise dispose of any
32 of its property or any interest in its property, wherever situated.

33 11. Adopt rules necessary to carry out its duties.

34 B. The commission shall utilize the services of employees of the
35 department. The times and conditions of the use of such employees shall be
36 determined by the chairman of the commission.

37 C. The commission may utilize the services of professionals in the
38 field of economic development under contractual arrangements as deemed
39 appropriate. Such contracts shall be entered into in accordance with chapter
40 23 of this title.

41 D. Any information submitted to or compiled by the commission in
42 connection with its work that concerns the identity, background, financial
43 status, marketing plans or trade secrets or any other proprietary information
44 related to persons, firms, associations, partnerships, agencies, corporations
45 or other entities is exempt from ~~the provisions of~~ title 39, chapter 1,

1 article 2 and deemed confidential and is not subject to disclosure except to
2 the extent that the person or organization that provided the information and
3 to whom the information relates consents to the disclosure.

4 E. On or before the conclusion of each calendar quarter the commission
5 shall report to the governor, the president of the senate and the speaker of
6 the house of representatives on the activities of the commission. The report
7 shall include a detailed accounting of any expenditures made from the ~~fund~~
8 ~~FUNDS established pursuant to section BY SECTIONS 41-1505.09 AND 41-1505.10.~~

9 F. A member or any person acting on behalf of the commission through
10 the execution of any contracts, commitments or agreements issued pursuant to
11 the work of the commission is not personally liable under the contracts,
12 commitments or agreements. A member or any person acting on behalf of the
13 commission is not personally liable for damages or injury resulting from the
14 performance of commission duties.

15 G. Any contract or agreement made in violation of this section is void
16 and does not give rise to any action against the commission.

17 Sec. 2. Title 41, chapter 10, article 1, Arizona Revised Statutes, is
18 amended by adding section 41-1505.09, to read:

19 41-1505.09. Arizona twenty-first century competitive initiative
20 fund; purpose; administration

21 A. TO ASSIST IN THE IMPLEMENTATION OF SECTION 41-1505.06, THE ARIZONA
22 TWENTY-FIRST CENTURY COMPETITIVE INITIATIVE FUND IS ESTABLISHED TO BE
23 ADMINISTERED BY THE COMMERCE AND ECONOMIC DEVELOPMENT COMMISSION. THE FUND
24 CONSISTS OF MONIES APPROPRIATED BY THE LEGISLATURE AND GIFTS OR GRANTS
25 DONATED OR GIVEN TO THE FUND. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE
26 APPROPRIATION AND SHALL BE USED AS PRESCRIBED BY THIS SECTION.

27 B. ON NOTICE FROM THE COMMISSION, THE STATE TREASURER MAY INVEST AND
28 DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313. THE STATE TREASURER
29 SHALL CREDIT MONIES EARNED FROM INVESTMENTS TO THE FUND.

30 C. THE COMMISSION SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH
31 A NONPROFIT CORPORATION TO USE MONIES IN THE FUND IN ORDER TO:

32 1. BUILD AND STRENGTHEN MEDICAL, SCIENTIFIC AND ENGINEERING RESEARCH
33 PROGRAMS AND INFRASTRUCTURE IN AREAS OF GREATEST STRATEGIC VALUE TO THIS
34 STATE'S COMPETITIVENESS IN THE GLOBAL ECONOMY WITH AN EMPHASIS IN BIOSCIENCE.

35 2. ACTIVELY ENGAGE SCIENTIFIC RESEARCH, ACADEMIC AND MEDICAL
36 INSTITUTIONS THAT REPRESENT BOTH THE PUBLIC AND PRIVATE SECTORS ON A
37 WORLDWIDE BASIS.

38 D. IN ORDER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE
39 COMMISSION PURSUANT TO SUBSECTION C OF THIS SECTION, A NONPROFIT CORPORATION
40 SHALL:

41 1. BE A STATEWIDE NONPROFIT CORPORATION THAT IS INCORPORATED IN THIS
42 STATE AND THAT IS QUALIFIED UNDER SECTION 501(C)(3) OF THE UNITED STATES
43 INTERNAL REVENUE CODE.

44 2. IDENTIFY AND DOCUMENT PRIVATE OR PHILANTHROPIC INVESTMENTS THAT ARE
45 EQUIVALENT TO FIFTY MILLION DOLLARS OR MORE IN FISCAL YEAR 2005-2006. FOR

1 SUBSEQUENT FISCAL YEARS, THE NONPROFIT CORPORATION SHALL PROVIDE FUNDING TO
2 ACHIEVE THE GOALS PRESCRIBED IN SUBSECTION C OF THIS SECTION IN AN AMOUNT
3 EQUAL TO OR GREATER THAN THE FINANCIAL ASSISTANCE PROVIDED BY THIS STATE.

4 Sec. 3. Appropriations: purpose: exemption

5 A. The following sums of monies are appropriated from the state
6 general fund in the following fiscal years to the Arizona twenty-first
7 century competitive initiative fund established by section 41-1505.09,
8 Arizona Revised Statutes, as added by this act, and are appropriated from
9 that fund to the commerce and economic development commission for the
10 purposes prescribed in this act:

- 11 1. In fiscal year 2006-2007, \$50,000,000.
12 2. In fiscal year 2007-2008, \$25,000,000.
13 3. In fiscal year 2008-2009, \$25,000,000.
14 4. In fiscal year 2009-2010, \$25,000,000.
15 5. In fiscal year 2010-2011, \$25,000,000.

16 B. The appropriations made in subsection A of this section are exempt
17 from the provisions of section 35-190, Arizona Revised Statutes, relating to
18 lapsing of appropriations.